Capitalising on structural change

First quarter results | 31 July 2012

Issued: 4 September 2012

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Some of the factors which may adversely impact some of these forward looking statements are discussed in the Principal Risks and Uncertainties section on pages 18–19 of the Group's Annual Report and Accounts for the year ended 30 April 2012 and in the unaudited results for the first quarter ended 31 July 2012 under "Current trading and outlook" and "Principal risks and uncertainties". Both these reports may be viewed on the Group's website at **www.ashtead-group.com**

This presentation contains supplemental non-GAAP financial and operating information which the Group believes provides valuable insight into the performance of the business. Whilst this information is considered as important, it should be viewed as supplemental to the Group's financial results prepared in accordance with International Financial Reporting Standards and not as a substitute for them.

Overview

- Record Q1 pre-tax profit of £61m (2011: £34m)
- Sunbelt's rental revenue up 17% with increased operating profit margin of 26% (2011: 20%)
- A-Plant's rental revenue rises 6%
- Long-term debt refinanced at significantly lower cost and no change in covenants
- Strong balance sheet with average debt maturities of 5.7 years and leverage reduced to 2.4x EBITDA (2011: 2.8x)
- We now anticipate a full year result materially ahead of our previous expectations

Q1 Group revenue and profit

(£m)	Q1 2011	Q1 2012	Change[1]
Revenue	**269**	**325**	+18%
– of which rental	*244*	*289*	*+15%*
Operating costs	(175)	(196)	+9%
EBITDA	**94**	**129**	+34%
Depreciation	(48)	(55)	+13%
Operating profit	**46**	**74**	+55%
Net interest	(12)	(13)	-2%
Profit before tax and amortisation	**34**	**61**	+76%
Earnings per share (p)	**4.3**	**7.7**	+76%
Margins			
– EBITDA	*35%*	*40%*	
– Operating profit	*17%*	*23%*	

[1] At constant exchange rates

[2] The results in the table above are the Group's underlying results and are stated before exceptionals, intangible amortisation and fair value remeasurements

Divisional performance – LTM

	Revenue			EBITDA			Profit		
	2011	**2012**	**Change[1]**	**2011**	**2012**	**Change[1]**	**2011**	**2012**	**Change[1]**
Sunbelt ($m)	1,288	1,578	+22%	422	590	+40%	192	330	+72%
Sunbelt (£m)	806	999	+22%	264	374	+40%	120	209	+72%
A-Plant	172	192	+12%	43	51	+18%	3	8	+170%
Group central costs	-	-		(8)	(8)	+7%	(8)	(8)	+7%
	978	**1,191**	+21%	**299**	**417**	+37%	**115**	**209**	+79%
Net financing costs							(62)	(51)	-19%
Profit before tax, exceptionals, amortisation and remeasurements							**53**	**158**	+191%
Exceptionals, amortisation and remeasurements							(32)	(22)	-33%
Profit before taxation							**21**	**136**	+518%
Taxation							(8)	(46)	+430%
Profit after taxation							**13**	**90**	+576%
Margins									
- Sunbelt				*33%*	*37%*		*15%*	*21%*	
- A-Plant				*25%*	*27%*		*2%*	*4%*	
- Group				*31%*	*35%*		*12%*	*18%*	

[1] At constant exchange rates

Debt restructured for greater long-term security at significantly lower cost with no change in covenants

November 2009

ABL facility	
Size	$1.8bn
Cost	Libor + 3-3.75%
Maturity	November 2013

Bonds		
Size	$550m	$250m
Cost	9%	8.625%
Maturity	August 2016	August 2015

Cost **2010/11 £68m**

Spring 2011

ABL facility	
Size	$1.4bn
Cost	Libor + 2-2.5%
Maturity	March 2016

Bond	
Size	$550m
Cost	9%
Maturity	August 2016

2011/12 £51m

Summer 2012

ABL facility	
Size	$1.8bn
Cost	Libor + 2-2.5%
Maturity	March 2016

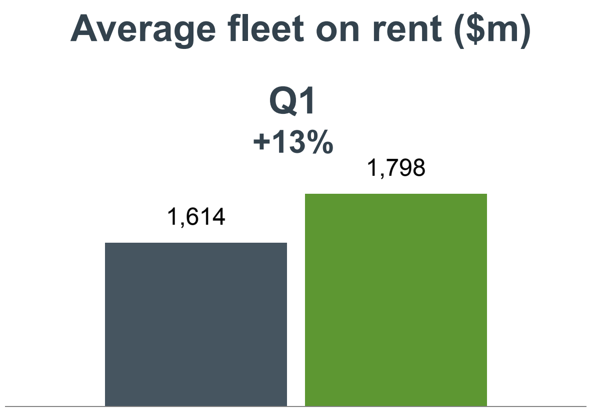
Bond	
Size	$500m
Cost	6.5%
Maturity	July 2022

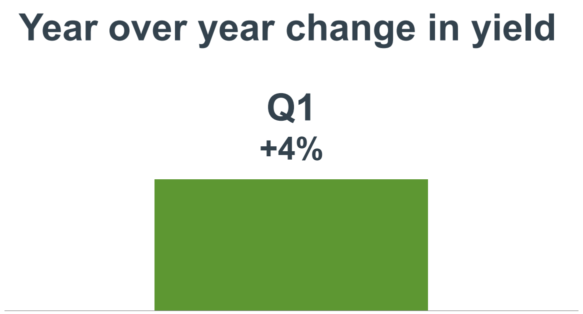
Full-year savings £8m

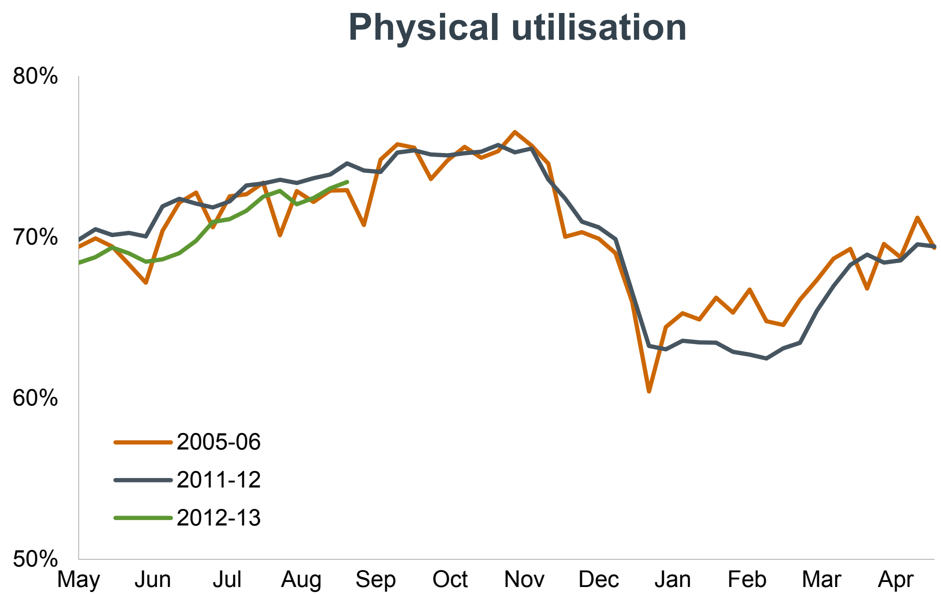
Exceptional cash charge	**£13m**
Exceptional non-cash charge	**£5m**

Sunbelt revenue drivers

Continuation of strong performance in both volume and yield







Q1 Sunbelt revenue and margins

	2011 $m	2012 $m
Rental revenue	328	384
New equipment sales and consumables	15	20
Used equipment sales	18	28
Total revenue	**361**	**432**
EBITDA from rental revenue excluding gains	127	171
Profit on new equipment and consumables	5	7
Gains on sales of used equipment	3	6
Total EBITDA	**135**	**184**
EBITDA margin excluding gains	*38%*	*44%*
Used equipment sales margin	*17%*	*20%*
EBITDA margin	*37%*	*42%*
EBITDA drop-through on rental revenue	*70%*	*79%*

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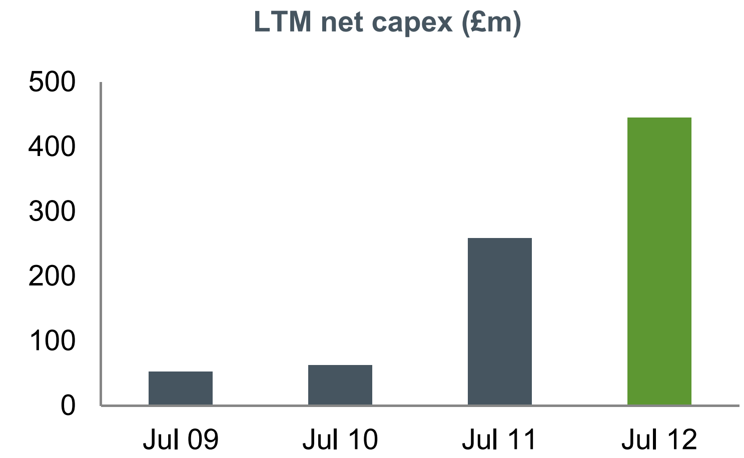
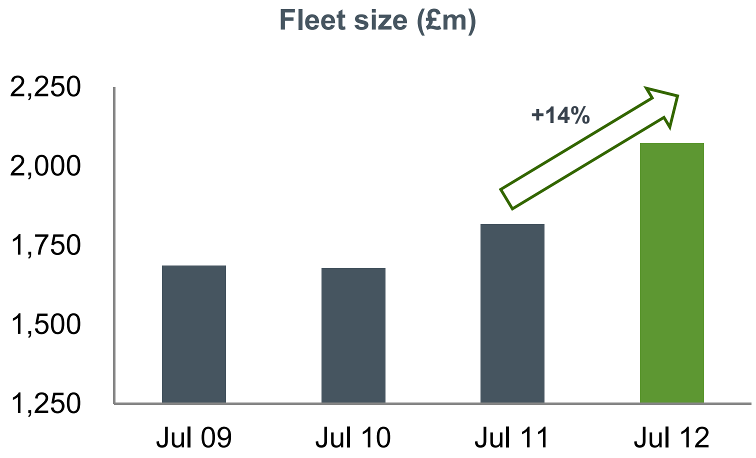
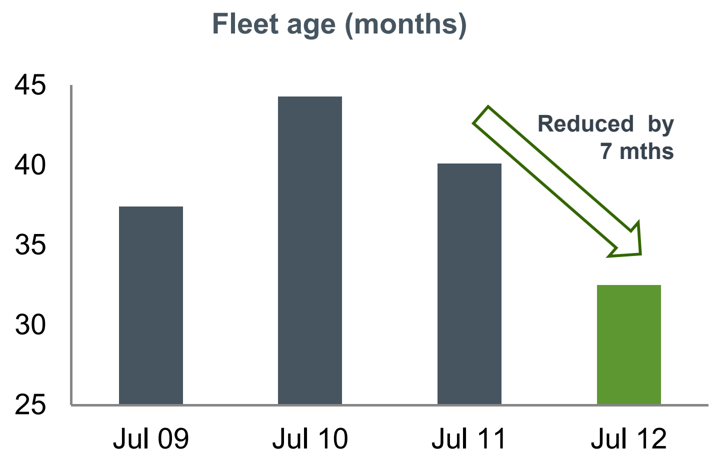
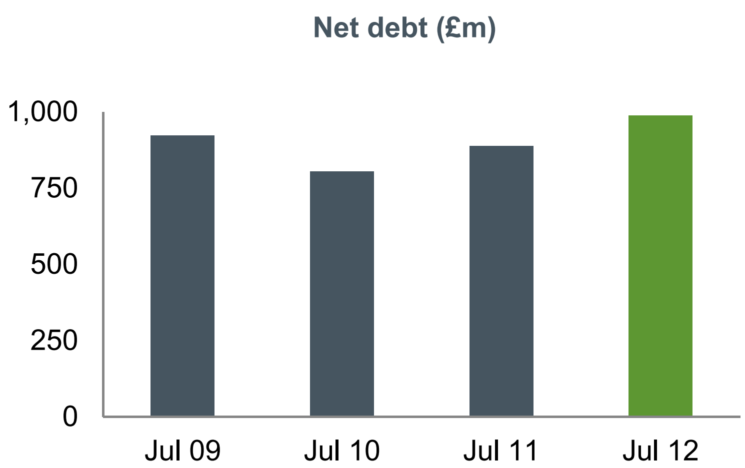
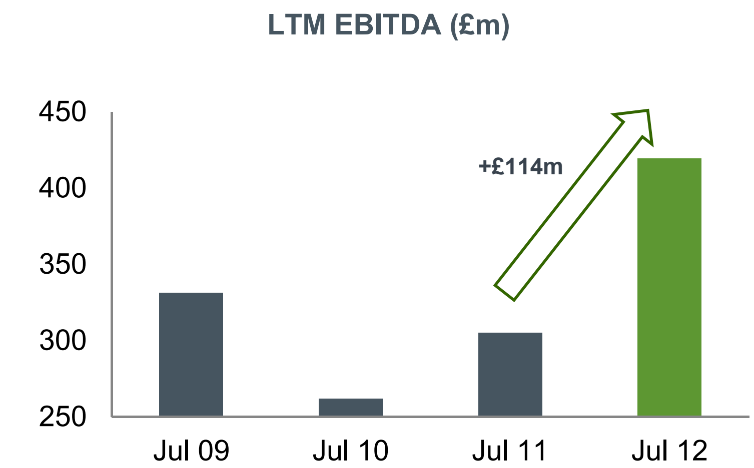
Strong fleet investment while continuing to delever; all before cyclical recovery

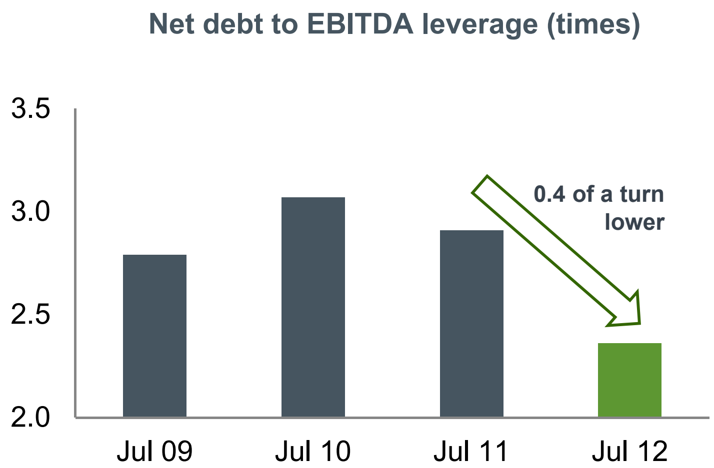








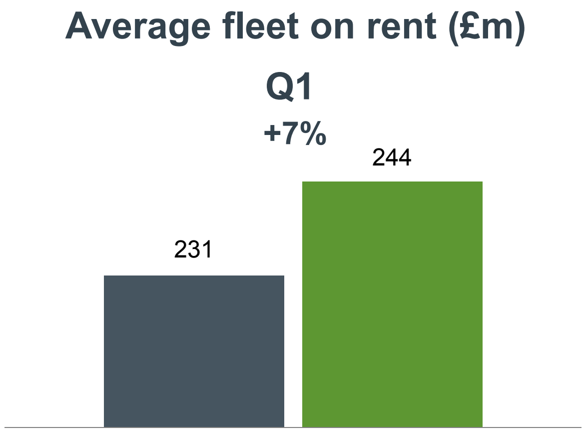


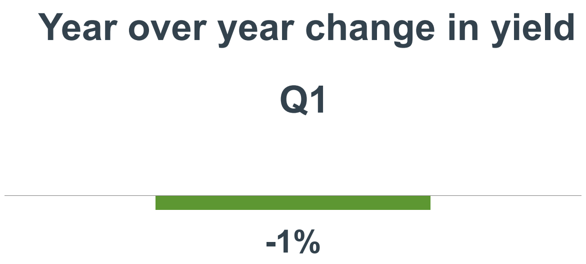


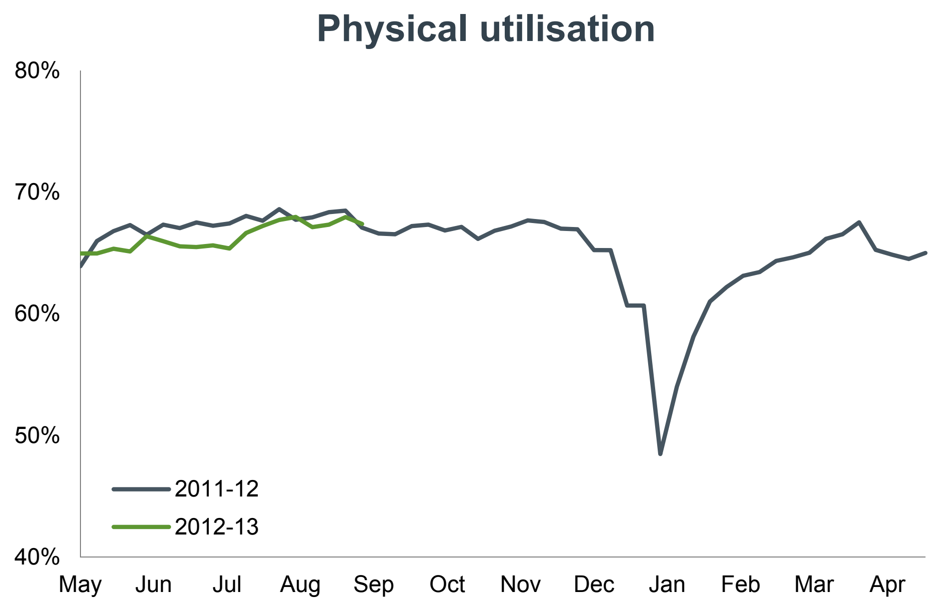
Note: All data is on a constant exchange rate basis

A-Plant revenue drivers

Returns environment remains challenging







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Summary

- The strong momentum in the business continues
- Continue to invest strongly in organic growth funded by strong EBITDA margins
- $2.7bn US fleet 15% larger than a year ago and 7 months younger
- Refinancing and fleet investment have placed us in a strong position whatever the market
- We now anticipate a full year result materially ahead of our previous expectations

Appendices

Divisional performance – Q1

	Revenue			EBITDA			Profit		
	2011	**2012**	**change**	**2011**	**2012**	**change**	**2011**	**2012**	**change**
Sunbelt ($m)	361.1	432.1	+20%	134.6	183.6	+36%	73.9	114.4	+55%
Sunbelt (£m)	222.5	275.3	+24%	82.9	116.9	+41%	45.6	72.9	+60%
A-Plant	46.1	49.7	+8%	12.6	14.4	+14%	2.3	3.0	+31%
Group central costs	-	-		(1.6)	(2.0)	+22%	(1.7)	(2.1)	+21%
	268.6	**325.0**	+21%	**93.9**	**129.3**	+38%	**46.2**	**73.8**	+60%
Net financing costs							(12.4)	(12.4)	+1%
Profit before tax, exceptionals, amortisation and remeasurements							**33.8**	**61.4**	+82%
Exceptionals , amortisation and remeasurements							(0.7)	(26.5)	-
Profit before taxation							**33.1**	**34.9**	+5%
Taxation							(12.4)	(12.4)	-
Profit after taxation							**20.7**	**22.5**	+9%
Margins									
- Sunbelt				*37%*	*42%*		*20%*	*26%*	
- A-Plant				*27%*	*29%*		*5%*	*6%*	
- Group				*35%*	*40%*		*17%*	*23%*	

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Cash flow funds organic fleet growth

(£m)	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	LTM July 12
EBITDA before exceptional items	**150**	**147**	**170**	**225**	**310**	**380**	**359**	**255**	**284**	**381**	**417**
EBITDA margin	*28%*	*29%*	*32%*	*35%*	*35%*	*38%*	*33%*	*30%*	*30%*	*34%*	*35%*
Cash inflow from operations before fleet changes and exceptionals	**157**	**140**	**165**	**215**	**319**	**356**	**374**	**266**	**280**	**365**	**407**
Cash conversion ratio	*105%*	*95%*	*97%*	*96%*	*97%*	*94%*	*104%*	*104%*	*99%*	*96%*	*98%*
Maintenance capital expenditure	(89)	(83)	(101)	(167)	(245)	(231)	(236)	(43)	(203)	(273)	(280)
Disposal proceeds	29	32	36	50	78	93	92	31	60	92	94
Interest and tax	(40)	(33)	(31)	(41)	(69)	(83)	(64)	(54)	(71)	(57)	(69)
Growth capital expenditure	(18)	-	(10)	(63)	(63)	(120)	-	-	-	(137)	(177)
Dividends paid	(9)	-	-	(2)	(7)	(10)	(13)	(13)	(15)	(15)	(15)
Cash available to fund debt paydown or M&A	**30**	**56**	**59**	**(8)**	**13**	**5**	**153**	**187**	**51**	**(25)**	**(40)**

- Healthy EBITDA margins ensure significant top line cash generation throughout the cycle
- Cash from operations funds organic growth investment, tax, interest and dividends
- Historically, debt has only increased at times of large scale M&A

Net debt and leverage

Net debt to EBITDA continues to reduce as we invest in the fleet

(£m)	July 2011	July 2012
Net debt at 30 April	**776**	**854**
Translation impact	12	32
Opening debt at closing exchange rates	**788**	**886**
Change from cash flows	59	97
Non-cash movements	1	5
Net debt at period end	**848**	**988**
Comprising:		
First lien senior secured bank debt	527	679
Second lien secured notes	330	312
Finance lease obligations	3	4
Cash in hand	(12)	(7)
Total net debt	**848**	**988**
Net debt to EBITDA leverage (x)	**2.8**	**2.4**

Interest

Floating rate: 68%

Fixed rate: 32%

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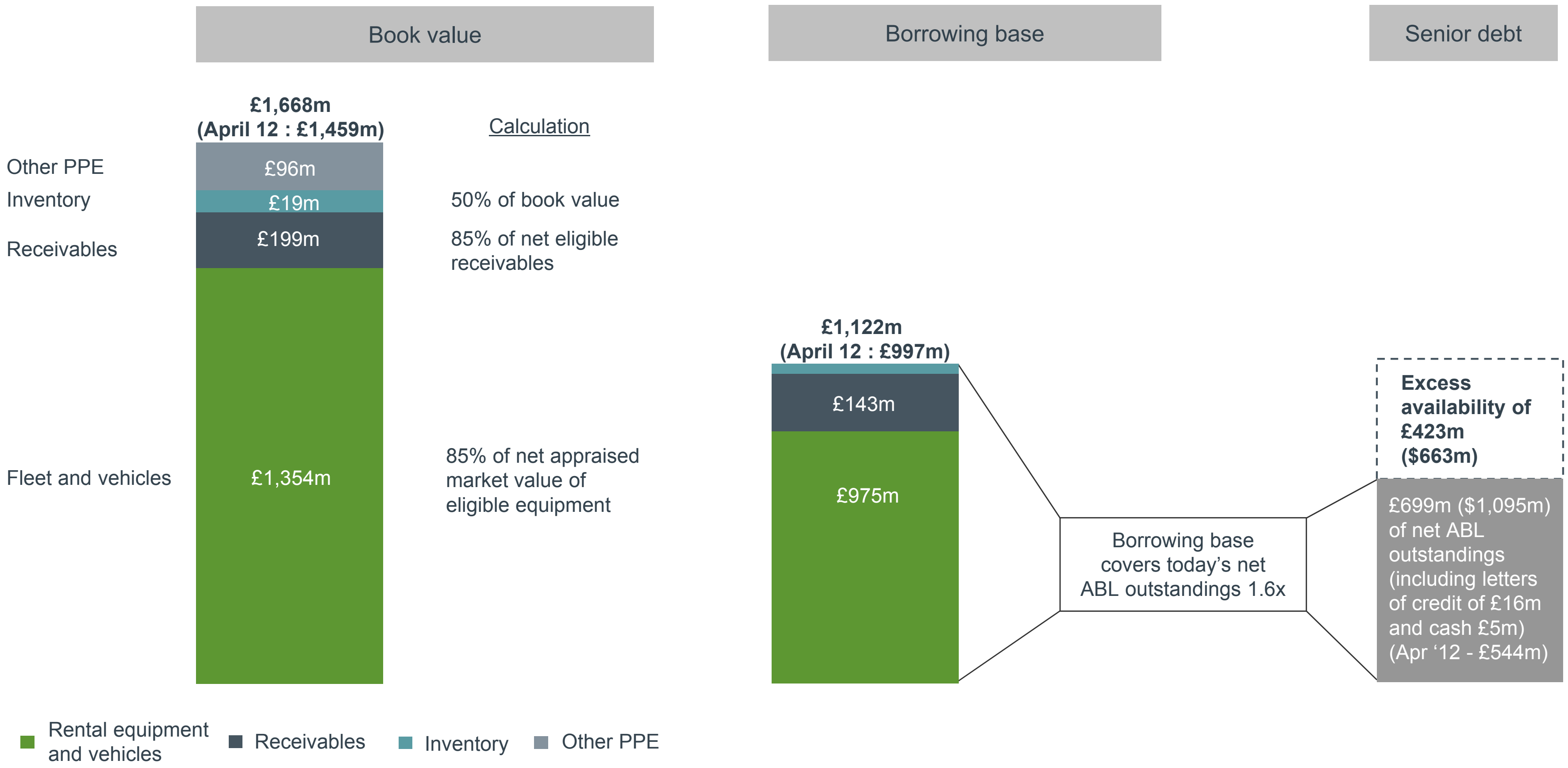
$663m of availability at 31 July 2012 (July 11: $511m)



- Borrowing base reflects January 2012 asset values which were around 8% below the Spring 2007 peak but 25% above the Autumn 2009 trough